ENGLISH AUSTRALIA SURVEY OF MAJOR ELICOS REGIONAL MARKETS IN 2010

EXECUTIVE SUMMARY

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Executive Summary

of a report prepared for **English Australia** by **Environmetrics**

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Introduction

This is the fifteenth survey of the ELICOS sector commissioned by English Australia. A benchmark study was commissioned in 1996, which covered enrolment statistics for the previous calendar year. A follow-up study was conducted in 1997. Austrade undertook these two studies. This current study is the thirteenth undertaken by Environmetrics and covers enrolments for the 2010 calendar year.

The purpose of the study is to gain a clear picture of the number of overseas students and visitors who undertook English language studies in Australia in 2010. Particular attention was taken to obtain statistics on:

- student numbers by nationality;
- student numbers by visa type;
- numbers of individual and group enrolments;
- length of enrolments; and
- enrolments in each state or territory.

This report presents the main findings of the study. Data is analysed to provide an overall profile of the ELICOS sector, as well as a profile for Asia, Europe, Central and South America and the Middle East.

Executive Summary

- Following declining numbers in 2002 and 2003, the ELICOS sector experienced five consecutive years of strong growth, reaching a peak of 162,114 students in 2008, more than doubling in size when compared with the 78,338 students enrolled in 2003. This growth turned into decline in 2009 with -4%, a decline that has accelerated to -10% in 2010. Total ELICOS enrolment numbers for 2010 were 140,102, a decrease of 15,511 students compared with 2009 (155,613) and a decrease of 22,012 students when compared with the peak of 162,114 students in 2008.

- The strong growth experienced in recent years was primarily driven by increasing numbers of student visa holders. In 2010, however, numbers of student visa holders declined by -19.4% (-20,132), with numbers of students with Other visas also declining by -24% (-1,677). Whilst visitor visa numbers increased by 19.7% (5,385) and working holiday visa numbers increased by 5.2% (912), this growth could not compensate for the strong decline in student visa numbers.

- One of the key developments in 2010 is the reversal of the significant shift in visa type that started in 2007. In 2006 student visas made up only 49% of overall ELICOS numbers, with visitor visas, working holiday and other visas of equal importance. In 2007 this % shifted to 59% student visas, in 2008 to 61% student visas and in 2009 to 67% student visas. In 2010 the decline in student visas has been balanced by an increase in other visas, bringing proportions back to 2007/2008 levels. In 2010 student visas were used by 60% of ELICOS students, a decrease on the 67% used in 2009. 23% held visitor visas in 2010, up from 2009 levels (18%). 13% held working holiday visas, up from 11% in 2009 and Other visas declined to 4% (from 5% in 2009).

- With the decline coming from longer stay student visa holders and the growth coming from shorter stay visitor visas, the average number of weeks studied per student decreased from 12.6 in 2009 to 11.9 weeks in 2010. The average course length ranged from 3.9 weeks for Asian students on visitor visas, to 21.9 weeks for Middle Eastern students on student visas.
- With the overall decrease in total enrolments and the accompanying shift from student visas to visitor visas, there was a stronger decrease in the number of weeks spent studying. 2010 saw a -15% decrease from 1,958,311 weeks to 1,668,328 weeks.
- The decrease in the number of students and weeks studied resulted in a decrease in total spending. The total economic impact of all enrolments decreased from $1.828 billion in 2009 to $1.557 billion (a decrease of -15%).
- Numbers of students from Asia declined by -14% (-14,767) and numbers from Central & South America declined by –9% (-1,773). Europe showed growth of 7% (1,472) and the Middle East also increased though only by 1% (84).
- The diversity of the sector continues to strengthen. Asia remained the largest source of enrolments, accounting for 65% of the total (however declining from 68% in 2009 and from 78% in 2005). Europe increased its share from 14% to 16% (compared with 13% in 2005), Central & South America remained stable with 12% (compared with 6% in 2005), and the Middle East increased its share from 6% to 7% (compared with 2% in 2005).
- Queensland with growth of 9% (+3,286) was the only state to increase enrolments in 2010. Victoria declined by -28% (-9,638) showing the strongest decline in percentage and actual enrolments. SA declined by -16% (-1,027), NSW by -11% (-7,213) and WA by -7% (-918).
- NSW accounted for 40% of all enrolments in 2010, followed by Queensland (29%), Victoria (18%), Western Australia (9%) and South Australia (4%). These figures show Queensland increasing its market share at the expense of Victoria.
- Asia was the most important source region for all states. China was the most important source country for all states except Queensland where Japan has been strongest for the last two years, followed by South Korea.
- The top ten source countries for 2010 were (in order): China, South Korea, Japan, Brazil, Thailand, Taiwan, Switzerland, Colombia, Saudi Arabia and France. France and Taiwan replaced Vietnam and India in the top 10.
- China was the major source country in 2010, consolidating its position as the number one source country for the third consecutive year since overtaking South Korea in 2008 and contributing 20% of all ELICOS enrolments. China showed declining numbers (-10%) for the first time since 2004.
- South Korea (14%) and Japan (13%) were the next most important source countries. Japan increased enrolments in 2010, strengthening its third ranking position and approaching South Korea in second position.
- 48% of all ELICOS enrolments in 2010 came from the top three source countries (an increase compared with 44% in 2009). Two of these top three source countries showed declining numbers in 2010 (China and South Korea). 75% came from the top ten source countries (a decline compared with 77% in 2009).

- Four of the top ten source countries for ELICOS showed increasing numbers: Japan (15%), Taiwan (23%), Switzerland (8%) and France (18%). All other top 10 countries declined in enrolments in 2010.
- The strongest growth in terms of student numbers came from Japan, Taiwan and France. The strongest decline in student numbers came from India, dropping 83% or 8,727 students. China, Thailand, Vietnam and Brazil all suffered strong decreases in enrolments.
- Group enrolments accounted for 9% of the total number of students, however only accounted for 2.5% of student weeks, with an average course length of only 3.4 weeks. Numbers of group enrolments grew by 6%, however the number of weeks delivered decreased by -24%.
- Asian nationalities again dominated group enrolments with 91% of the total (increasing from 89% in 2009). Japanese students made up 53% of these (up from 44% in 2009).
- English Australia institutions accounted for 82% of total enrolments.

Asia-Pacific region total enrolments (individuals and groups)

- Total numbers of enrolments from the Asia Pacific region decreased from 105,792 in 2009 to 91,025 in 2010. This represents a decrease of -14% (-14,767).
- The largest increase in the number of enrolments for an individual nationality was shown by Japan (2,497), followed by Taiwan (1,012) and then Hong Kong (346).
- The largest decrease in the number of enrolments for an individual nationality was shown by India (-8,727), followed by China (-2,999) and then Thailand (-2,839).
- For the third consecutive year China was the most important source country in the Asia Pacific region, contributing 31% of the region's total enrolments. South Korea was in second place with 22%. Japan, in third place with 21%, has strengthened its position, increasing enrolments in 2010 and halting the decline of the last few years.
- India has experienced a significant decline with enrolments dropping 83% to 1,771 from 10,498 in 2009 and 14,833 at its peak in 2008.
- The state profile has changed with NSW still dominant, accounting for 38% of all Asian enrolments in 2010, with Queensland at 28% strengthening its share, followed by Victoria, which declined to 20% (from 27%), Western Australia (8%) and South Australia (5%).
- The proportion of student visas declined to 60%, with visitor visas increasing to 22% and working holiday visas increasing to 15%.
- Total student weeks decreased from 1,272,539 to 1,025,006 in 2010 (a -19% decrease). The average number of weeks spent studying decreased by nearly a week (from 12.0 in 2009 to 11.3 in 2010).
- China (35%) and South Korea (22%) accounted for the largest number of student weeks in 2010.
- Total estimated spending of enrolees from the Asia Pacific region was $981 million compared with $1,191 million in 2009. This is an overall decrease of -18% from 2009.
- The number of Asian students in groups increased from 10,310 to 11,200. The average number of weeks for groups decreased from 4.7 to 3.2 weeks.

European region (individuals and groups)

- Total numbers of enrolments from Europe increased from 21,070 in 2009 to 22,542 in 2010. This represents an increase of 7% (+1,472).
- The largest increase in the number of enrolments for an individual nationality was France (719), followed by Switzerland (376) and then Spain (234). Germany (-685) provided the largest decline in enrolments followed by Hungary (-156).
- As in previous years Swiss enrolments made up a large proportion of the European market, accounting for 22% (identical to 2009) of all European enrolees, followed by French enrolments, with 21%.
- The state market share has changed slightly for Europe in 2010, with NSW dropping 1% to 49% of all European enrolments whilst Queensland's share gained 1% accounting for 33%, Western Australia dropped from 13% to 11%, Victoria from 6% to 5% and South Australia from 2% to 1%.
- The visa status of European enrolments changed in 2010. Visitor visas are still the most popular choice for European enrolees, increasing to 44% after a decline of 3% in 2009. Student visa have remained stable on 33%. The proportion of working holiday visas has declined in 2010 to 19% from 21% and other visas also declined to 4% (from 5% in 2009).
- The total number of weeks enrolled has increased from 184,996 in 2009 to 200,489 in 2010 (an increase of 8% in line with student enrolments). The average number of weeks remained stable at 8.9 (8.8 in 2009).
- Total estimated spending of European enrolees was $174.9 million compared with $155.1 million in 2009. This is an overall increase of 11% from 2009.

Central and South American region (individuals and groups)

- Total numbers of enrolments from the Central & South American region decreased from 18,702 in 2009 to 16,929 in 2010. This represents a decrease of -9% (-1,773).
- Brazil again yielded the largest number of enrolments, representing 53% (identical to 2009) of all enrolments from this region (a total of 9,022 enrolments for 2010 though declining -9% on 2009). The second most important source country, Colombia, declined -12% on enrolments in 2009. Decreases were seen for all Central and South American nationalities except Venezuela, which increased by 54% though on a small base.
- NSW accounted for 40% of all Central and South American enrolments in 2010 (41% in 2009), whilst Queensland's share has increased from 33% in 2009 to 34% in 2010, Western Australia dropped from 11% to 10%, whilst Victoria grew from 13% to 14% and South Australia remained stable at 2%.
- 85% of all Central and South American enrolees held student visas (up from 82% in 2009), with 10% arriving on visitor visas (equal to 2009), other visas accounting for 5% (down from 6%) and working holiday visas accounting for less than 1% in 2010 (2% in 2009).

- There has been a -7% decline in the total number of student weeks (from 282,616 to 261,589), with the average number of student weeks remaining stable at around 15.0 weeks (15.1 in 2009).
- Total estimated spending of Central and South American enrolees was $214.2 million compared with $242.6 million in 2009. This is an overall decrease of -12% from 2009.

Middle Eastern Region (individuals and groups)

- The Middle Eastern region continues to grow in importance as a source country for ELICOS enrolments, though at a reduced rate in 2010. Total enrolments for the Middle Eastern region in 2010 were 9,257, representing 1% growth (+84) over the 2009 figures of 9,173.
- Saudi Arabia contributes 51% (down from 59% in 2009) of all enrolments from the Middle East. In 2010 numbers declined -12% (from 5,383 to 4,754) from Saudi Arabia.
- The largest Middle Eastern contributors were Saudi Arabia and Turkey (decrease of -12%). There were some strong increases from students from Lebanon (39%), Iran (24%) and Pakistan (23%) though on smaller bases.
- In 2010 there was little state change from 2009. NSW share declined 1% to 38% and Western Australia's increased 1% to 8% of all Middle Eastern enrolments whilst all other states, Victoria (26%), Queensland (23%) and South Australia (5%), remained stable.
- 84% of all Middle Eastern enrolments held student visas, down from 86% in 2009. The proportion of visitor visas increased to 10% (up from 6%), other visas remained stable on 6% and working holiday visas were minimal (less than 1%).
- The total number of student weeks for Middle Eastern enrolments was 186,259 (a decrease of -10%), and the average number of student weeks was 20.1 (down from 22.6 in 2009).
- The total estimated spending of Middle Eastern enrolees was $184.5million (down from $228.6 million in 2009). This is an overall decrease of -19% on 2009.
- Turkey (increase of 18%) and Emirates (increase of 16%).
- NSW share remained stable with 39% of all Middle Eastern enrolments in 2009 (39% in 2008), whilst Queensland's share grew from 18% in 2008 to 23% in 2009 and South Australia grew from 4% to 5%. Victoria's share dropped from 28% to 26% and Western Australia's share dropped from 12% to 7%.
- 86% of all Middle Eastern enrolments held student visas, up from 80% in 2008. The proportion of visitor visas declined to 6% (down from 8%) and working holiday and other visas declined to 8% (down from 12%).
- The total number of student weeks for Middle Eastern enrolments was 207,666 (an increase of 4%), and the average number of student weeks was 22.6 (down from 23.7 in 2008).
- The total estimated spending of Middle Eastern enrolees was $228.6 million (up from $199.3 million in 2008). This is an overall increase of 15% on 2008.

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